WHAT IS CLAIMED IS:

1.   A method for determining a bid price for at least one tranche of a portfolio of financial instruments that satisfies at least one of an internal rate of return (IRR, a net present value (NPV) and a time to profit probability requirements, said method comprising the steps of:

5   dividing the portfolio into separately marketable sub-portfolios or tranches;

giving each tranche a trial bid price;

combining the tranches with historical asset performance data of at least one of a buying or selling party, other market and underwriting; and

10   performing at least one of a NPV, an IRR and a time to profit analysis on the tranches.

2.   A method according to Claim 1 wherein said step of dividing the portfolio into separately marketable sub-portfolios or tranches further comprises the step of forecasting a cash flow probability distribution and time duration from prior analysis.

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3.   A method according to Claim 1 wherein said step of forecasting a cash flow probability distribution further comprises the step of expressing a tranche probabilistic evaluation as at least one of a minimum high evaluation, a most probable evaluation, a low evaluation and other suitable probability distribution.

20   4.   A method according to Claim 1 wherein said step of combining the tranches with historical asset performance data further comprises the step of using an iterated sampling technique to produce a distribution.

5.   A method according to Claim 4 wherein said step of using an iterated sampling technique further comprises the step of using a Monte Carlo

25   analysis.

6. A method according to Claim 1 further comprising the step of selecting tranches not to buy.

7. A method according to Claim 6 further comprising the step of recognizing a pattern of the best selection of tranches to purchase and at what price, subject to constraints.

8. A method according to Claim 7 wherein said step of recognizing a pattern of the best selection of tranches to purchase is determined by stochastic optimization.

9. A method according to Claim 6 wherein said step of randomly selecting tranches not to buy further comprises the step of selecting tranches whose mean internal rate of return (IRR) is below a defined threshold.

10. A method according to Claim 6 wherein said step of randomly selecting tranches not to buy further comprises the step of selecting tranches whose net present value (NPV) is negative or whose certain time to profit is below a defined threshold.

11. A system for determining a bid price for at least one tranche of a portfolio of financial instruments that satisfies at least one of an internal rate of return (IRR), a net present value (NPV) and a time to profit probability requirements, said system comprising:

a computer configured as a server and further configured with a database of asset portfolios;
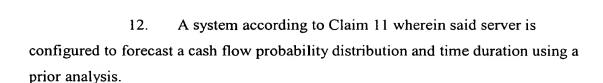
at least one client system connected to said server through a network, said server configured to divide the portfolio into separately marketable sub-portfolios or tranches, assign each tranche a trial bid price, combine the tranches with historical asset performance data of at least one of a buying or selling party, other market and underwriting and performing at least one of a NPV, an IRR and a time to profit analysis on the tranches.

12. A system according to Claim 11 wherein said server is configured to forecast a cash flow probability distribution and time duration using a prior analysis.

13. A system according to Claim 11 wherein said server is configured to express a tranche probabilistic evaluation as at least one of a minimum high evaluation, a most probable evaluation, a low evaluation and other suitable probability distribution.

14. A system according to Claim 11 wherein said server is configured to use an iterated sampling technique to produce a distribution.

15. A system according to Claim 14 wherein said server is configured to use a Monte Carlo analysis.

16. A system according to Claim 11 wherein said server is configured to select tranches not to buy.

17. A system according to Claim 16 wherein said server is configured to recognize a pattern of the best selection of tranches to purchase and at what price, subject to constraints.

18. A system according to Claim 17 wherein said server is configured to use stochastic optimization to recognize a pattern of the best selection of tranches to purchase.

19. A system according to Claim 16 wherein said server is configured to select tranches whose mean internal rate of return (IRR) is below a defined threshold.

20. A system according to Claim 16 wherein said server is configured to select tranches whose net present value (NPV) is negative or whose certain time to profit is below a defined threshold.
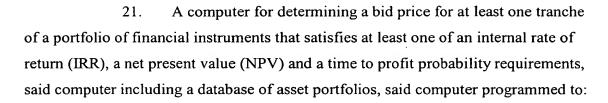
21.   A computer for determining a bid price for at least one tranche of a portfolio of financial instruments that satisfies at least one of an internal rate of return (IRR), a net present value (NPV) and a time to profit probability requirements, said computer including a database of asset portfolios, said computer programmed to:

5   divide the portfolio into separately marketable sub-portfolios or tranches;

assign each tranche a trial bid price;

combine the tranches with historical asset performance data of at least one of a buying or selling party, other market and underwriting; and

10   performing at least one of a NPV, an IRR and a time to profit analysis on the tranches.

22.   A computer according to Claim 21 programmed to forecast a cash flow probability distribution and time duration using a prior analysis.

23.   A computer according to Claim 21 programmed to express a
15   tranche probabilistic evaluation as at least one of a minimum high evaluation, a most probable evaluation, a low evaluation and other suitable probability distribution.

24.   A computer according to Claim 21 programmed to use an iterated sampling technique to produce a distribution.

25.   A computer according to Claim 24 programmed to use a Monte
20   Carlo analysis.

26.   A computer according to Claim 21 programmed to select tranches not to buy.

27.   A computer according to Claim 26 programmed to recognize a pattern of the best selection of tranches to purchase and at what price, subject to
25   constraints.

28. A computer according to Claim 27 programmed to use stochastic optimization to recognize a pattern of the best selection of tranches to purchase.

29. A computer according to Claim 26 programmed to select tranches whose mean internal rate of return (IRR) is below a defined threshold.

30. A computer according to Claim 26 programmed to select tranches whose net present value (NPV) is negative or whose certain time to profit is below a defined threshold.